

# **Pacific Northwest Rail Corridor**

## **A corridor approach to Amtrak Cascades**

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# Presentation overview

- Program history
- Current performance
- Upcoming changes under PRIIA
- Corridor approach



# Pacific Northwest Intercity Passenger Rail Corridor Amtrak Cascades

467-mile corridor

- 300 miles in Washington
- 134 miles in Oregon
- 33 miles in British Columbia

11 daily trains

- 4 round trips between Seattle & Portland
- 2 round trips between Seattle & Vancouver, B.C.
- 2 round trips between Portland & Eugene



# Amtrak Cascades history

1993 – Amtrak began one Seattle-Portland daily round trip

1994 – Washington State expanded the service with an additional Seattle-Portland daily round trip

1994 – Oregon extended one Seattle-Portland round trip to Eugene

1995 – Washington expanded service to Vancouver, B.C.

1996 – Washington added another leased train

1999 – Amtrak Cascades brand debuted, Washington added a third Seattle-Portland daily round trip, and purchased custom-built trains

2000 – Oregon extended a second Seattle-Portland round trip to Eugene

2001 – Washington added a station stop in Tukwila, WA

2004 – Oregon added a station stop in Oregon City, OR

2006 – Washington added a fourth daily Seattle-Portland round trip

2009 – Washington added second daily round trip to Vancouver, B.C.

# Current partnership

- Washington and Oregon (state funding) and Amtrak (federal funding) sponsor the service
- BNSF and UP own the tracks
- Amtrak operates the service
  - We pay Amtrak via a contract
  - Amtrak pays the railroads
- Talgo and Amtrak maintain equipment
  - Washington pays Talgo via contract
  - *Oregon will pay Talgo via contract when new equipment starts service*



# Designated high-speed rail corridors



# Categories of rail service

**Commuter rail:** scheduled service on fixed routes on a non-reservation basis primarily for short-distance (local) travel between a central business district and adjacent suburbs.

**Rapid transit system:** an electric passenger railway in an urban area with a high capacity and frequency, and grade separation from other traffic.

**Light rail or light rail transit (LRT):** urban rail public transportation that generally has a lower capacity and lower speed than heavy rail and metro systems but higher capacity and higher speed than traditional street-running tram systems.

**Intercity passenger rail / emerging high-speed rail:** Developing corridors of 100–500 miles, with strong potential for future HSR Regional and/or Express service. Top speeds of up to 90–110 mph on primarily shared track (eventually using positive train control technology), with advanced grade crossing protection or separation. Intended to develop the passenger rail market, and provide some relief to other modes.

**Long-distance passenger rail:** Cross-country rail service, such as Amtrak Coast Starlight (Seattle to Los Angeles) and Amtrak Empire Builder (Portland/Seattle to Chicago).

# System investments

- Washington was successful in securing nearly \$800 million in federal funds due to strategic state investments
- 20 projects in Washington building additional rail-line capacity and upgrading tracks, utilities, signals, passenger stations and advanced warning systems
- ODOT will bring two new trainsets into revenue service in early 2013.
- WSDOT will purchase new locomotive and train equipment
- ODOT EIS to lead way for future federal investment in HSR corridor - \$10 million (\$4.2 million ARRA funds/\$5.8 million Oregon funds)



# ARRA stimulus funding service requirements

Federal funding for capital improvements requires WSDOT to commit to service outcomes for 20 years beginning 2017:

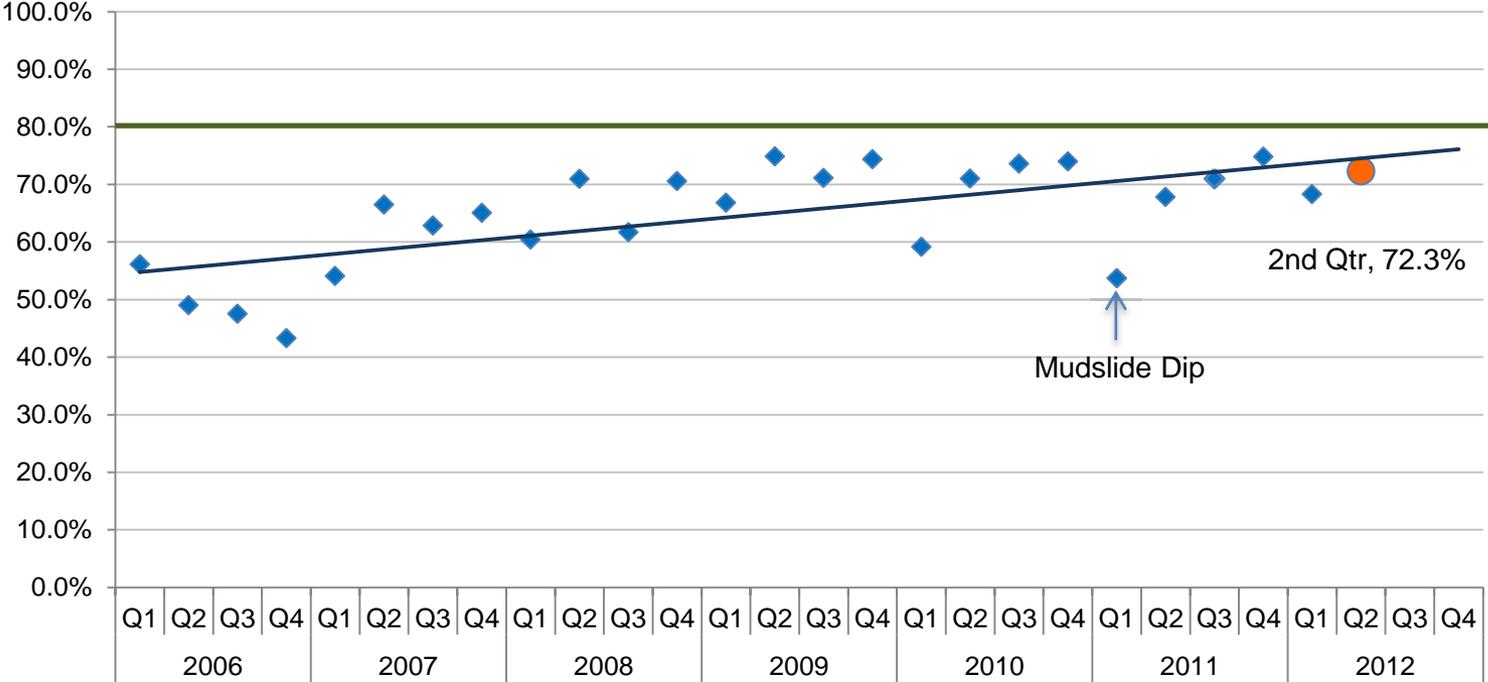
- Two additional round trips between Seattle and Portland, for a total of six
- 10-minute time savings
- Improved on-time performance to 88%

These service outcomes support our shared program goal of more frequent and reliable Amtrak Cascades service.

# Improvements in on-time performance

## Amtrak Cascades on-time performance

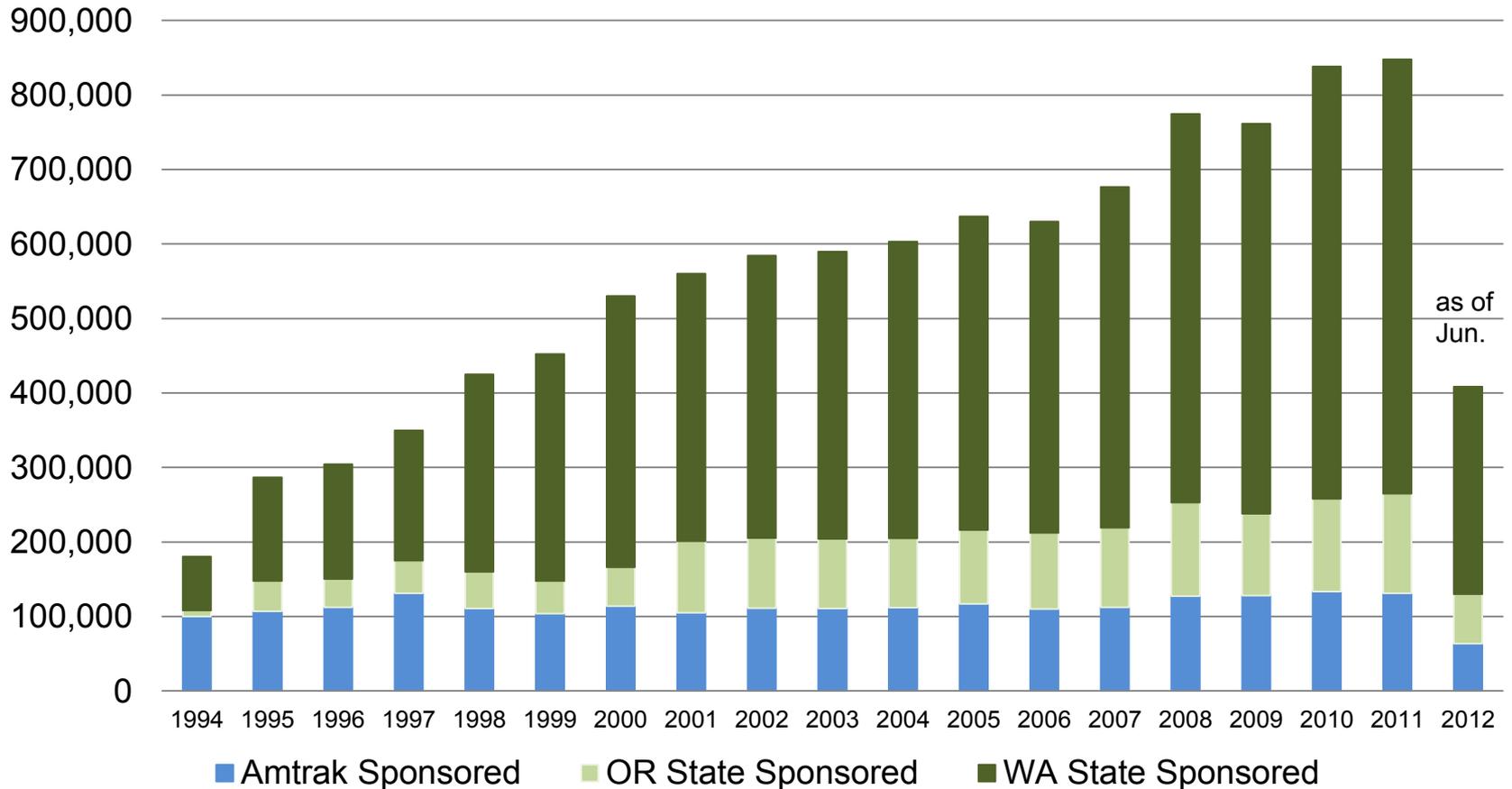
Percent of trains on-time, 2006- June 2012



Data source: WSDOT State Rail Division

# Growth in annual ridership

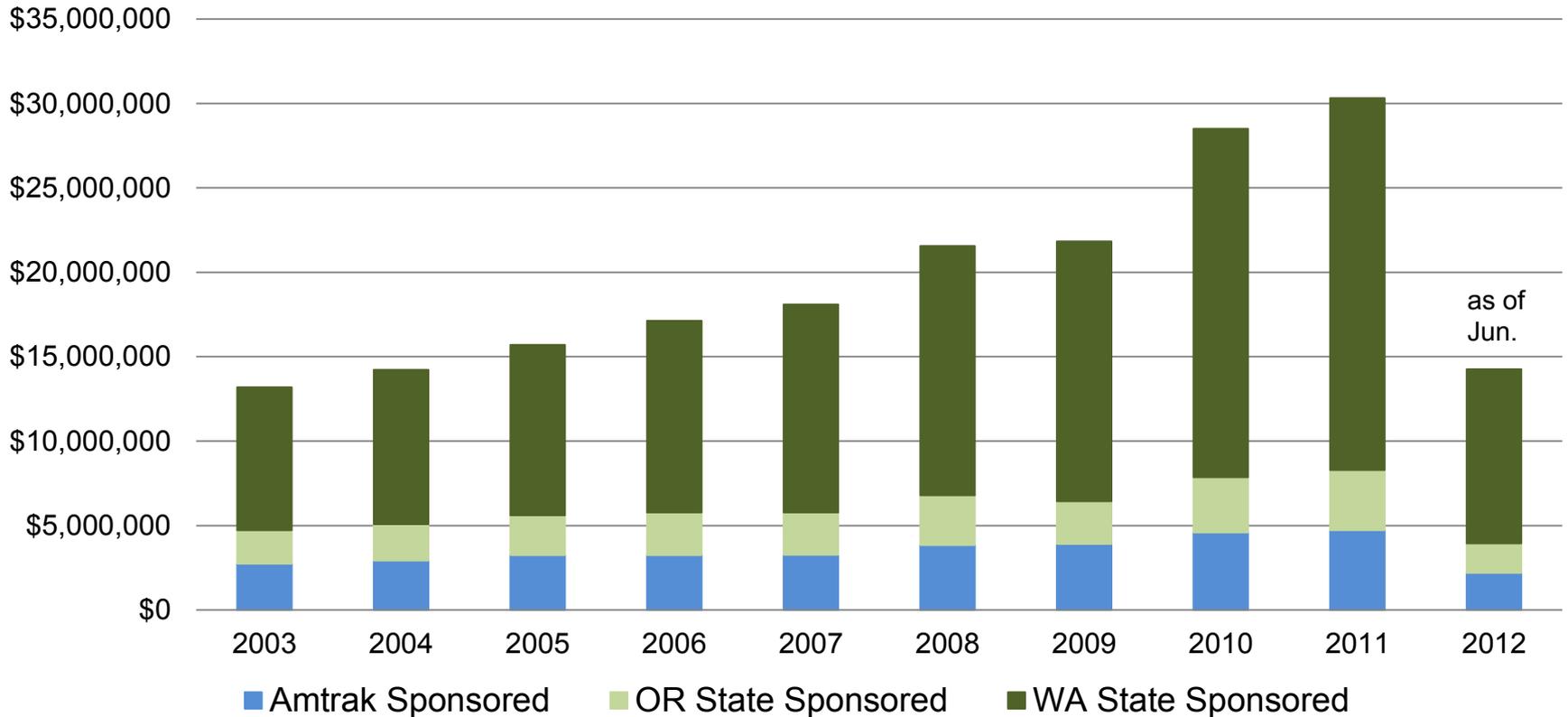
## Amtrak Cascades Annual Ridership 1994-June 2012



Data source: WSDOT State Rail Division

# Growth in annual ticket revenues

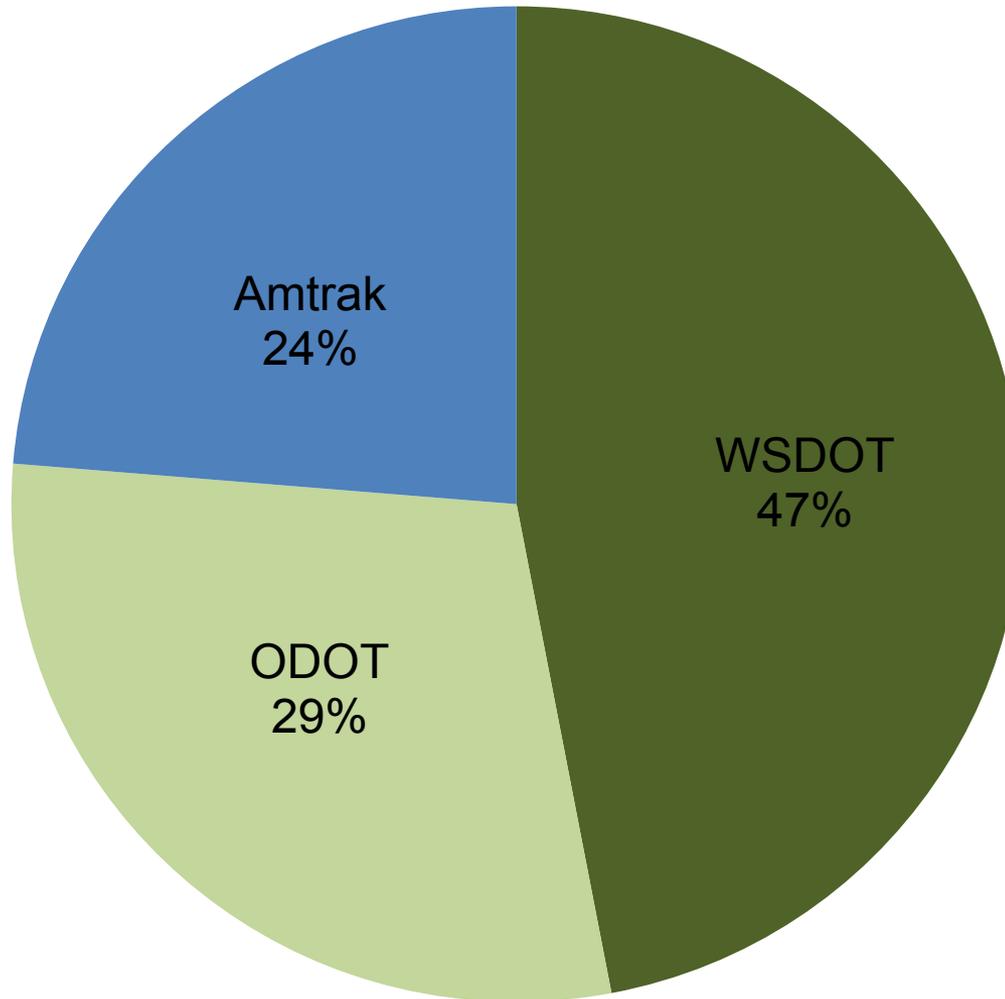
## Amtrak Cascades annual ticket revenue 2003-2012



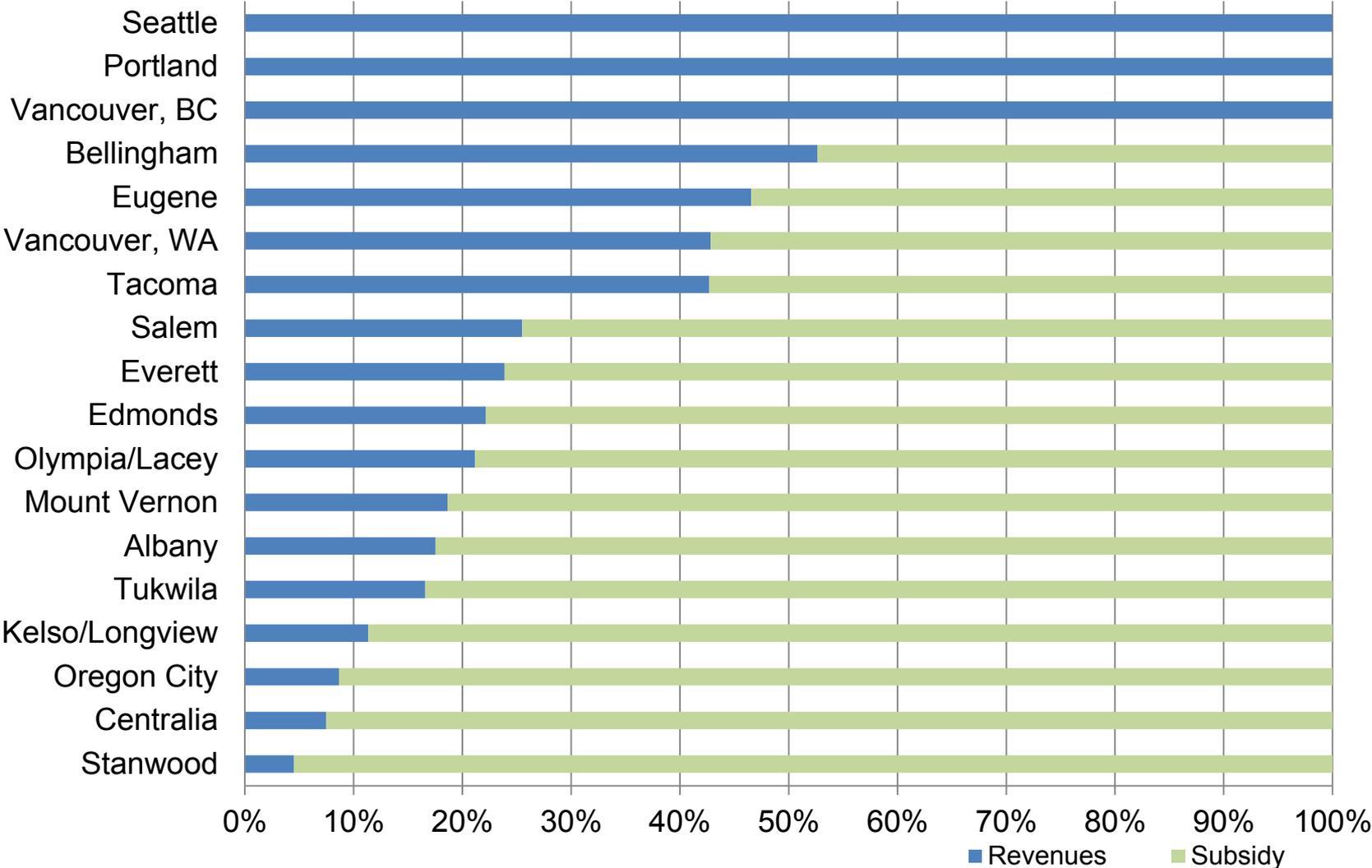
Data source: WSDOT State Rail Division

# Existing cost sharing

Projected allocation of costs for 2011-2013 biennium



# Farebox recovery by station



# Funding challenges

- Economic climate
  - State revenue forecasts have been lower than anticipated
- Operating fees - Amtrak
  - Washington pays \$9 million per year; Oregon pays \$5.5 per year
- Equipment maintenance fees - Talgo
  - Washington pays \$4 million per year; Oregon pays \$0
- Track infrastructure maintenance - 20 years (2017 start)
  - Washington pays ~\$3 million per year; Oregon pays \$0
- Additional trips between Seattle and Portland won't begin until 2017

# What is the Passenger Rail Investment and Improvement Act (PRIIA)?

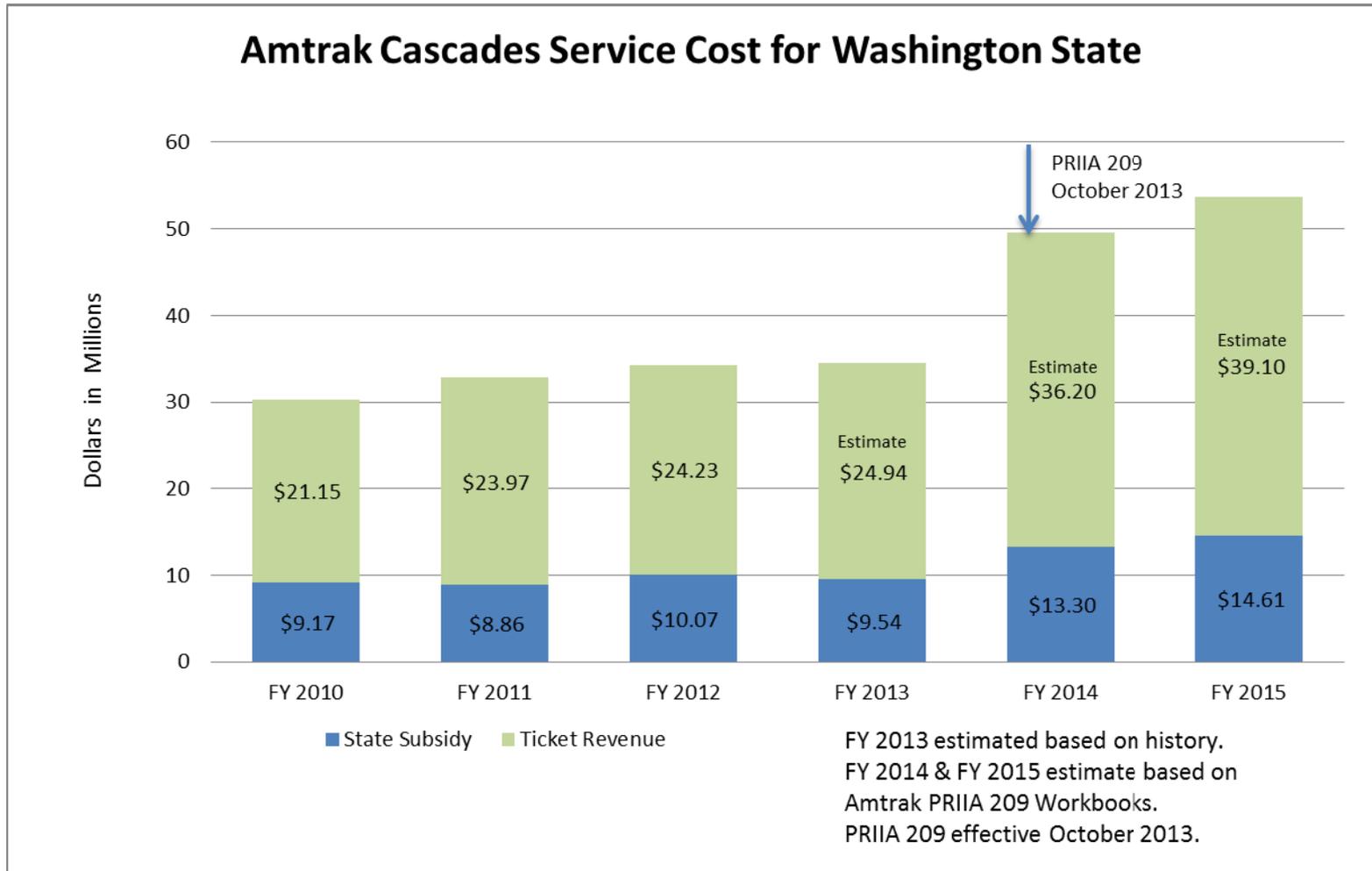
- A 2008 law passed by Congress requires states to pay for all state-sponsored service.
  - The States for Passenger Rail Coalition, chaired by Washington Transportation Secretary Hammond, developed and endorsed Amtrak methodology
  - WSDOT is working with Oregon to develop an implementation strategy.
- One Amtrak Cascades train between Seattle and Portland is currently funded by federal Amtrak dollars.
- Starting in October 2013, Washington and Oregon must absorb those costs.

# Preparing for PRIIA

	Today	Estimated impact, starting October 2013
Operations	Amtrak contributing 23.7% of costs in 2011-2013	Additional \$3 million per year for Washington; additional \$2 million per year for Oregon.
Equipment	Amtrak owns 2 of the 5 trainsets in the fleet	Additional \$1.5 million per year for Washington; additional \$350,000 per year for Oregon.
Facilities	Data not available	To be determined

# Federal Act requires states to pay full subsidy

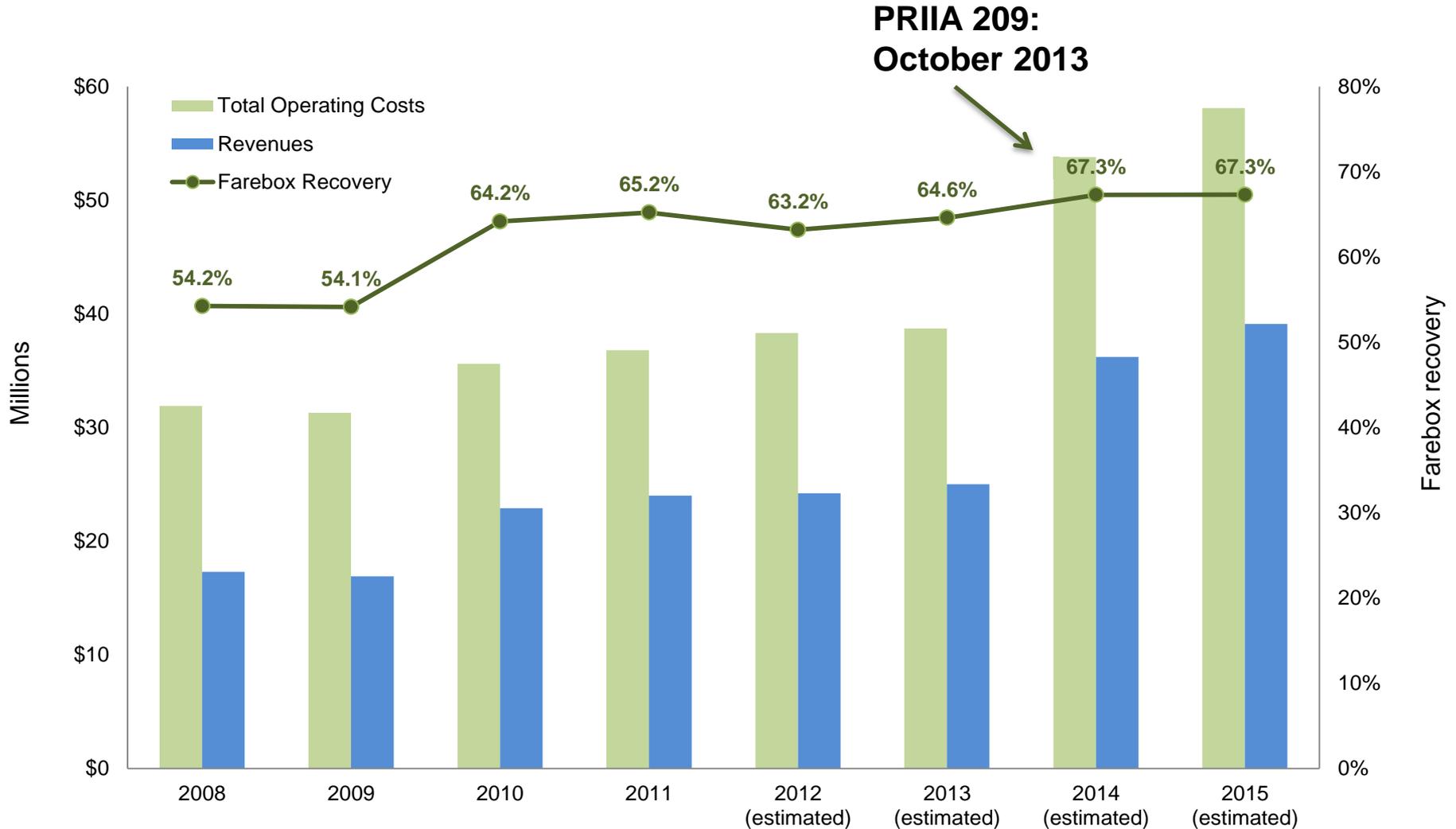
## PRIIA 209 becomes effective October 2013



Currently, federal subsidies through Amtrak pay for 23.7% of Amtrak Cascades service. In October 2013, the federal-subsidy percentage becomes zero.

# Increasing revenues, reducing state subsidy

## Washington-financed trains



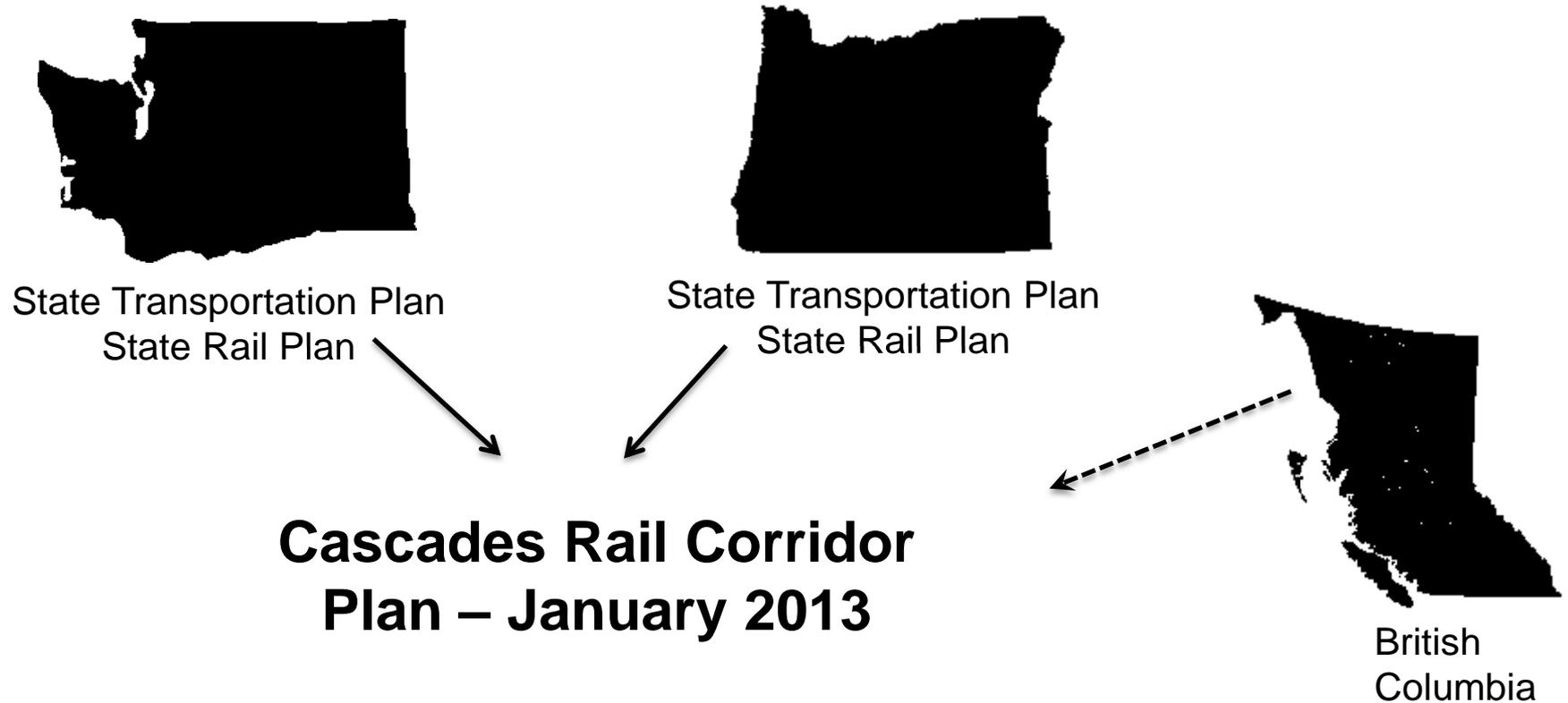
Source: WSDOT State Rail Division, based on Amtrak financial billing data and PRIIA 209 workbooks.

# Corridor approach to address challenges

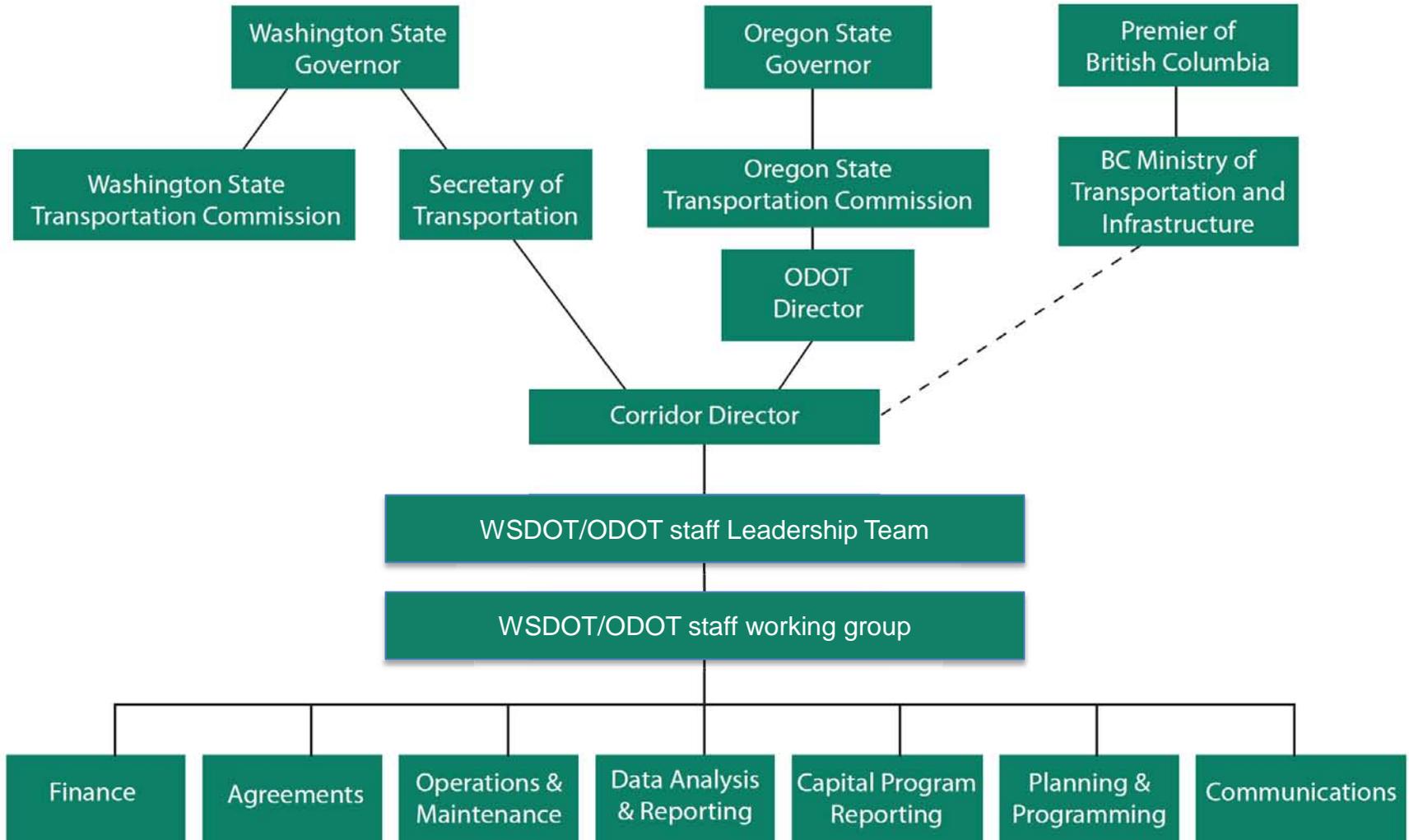
## Washington, Oregon & British Columbia

- **Deliver consistently** on customer expectations for HSR (fast, reliable, safe, affordable)
- **Build revenue** to cover the cost of operations (yield maximum revenue per seat)
- **Grow ridership** in the largest business centers (provide service where demand exists)
- Provide a **competitive transportation** alternative (price, time, convenience)
- **Pool resources for increased efficiencies** (eliminate unnecessary expenses)
- **Reduce costs** (seek out alternative service providers)
- **Partners share** in revenue and costs (OR, WA, BC)

# Memorandum of Understanding Corridor partnership - Spring 2012



# Cascades Rail Corridor team



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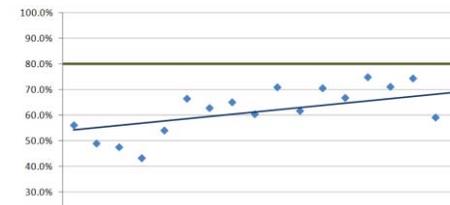
# Corridor approach to service delivery

Action items under the MOU:

- Schedule changes
- Performance measurement
- Marketing
- Grant applications
- Fare increases
- Maintenance agreements
- Customer inquiries
- Recommended project priorities



**Amtrak Cascades on-time performance**  
*Percent of trains on-time, 2006-2011*



# The corridor approach in action:

## Proposed schedule change - pilot program

- Recommend one am & one pm departure (PDX & EUG) to increase riders
- 90 day lead time for implementation
- Union Pacific approval at no cost

Do potential benefits outweigh the costs? What are the risks?

### Results of the benefit-cost evaluation: (annual)

North of Portland	Loss	(\$317,000)
South of Portland	Gain	\$439,000
Through Portland	Loss	(\$81,000)
<b>Net revenue impact</b>	<b>Gain</b>	<b>\$41,000</b>

Next steps - review results; consider margins of error and associated risks; make final decision when new trains arrive.

# The corridor approach in action:

## Guidance for station design and new stops

- Provide service and infrastructure to a standard determined necessary to serve the state's interest and financial and operational commitments.
- Proponents may pursue enhancements if:
  - Changes are not in conflict with goal of provide faster, more frequent, reliable passenger rail service.
  - Proponents take responsibility for the cost of enhancements.



# Corridor approach next steps

Fall 2012	<ul style="list-style-type: none"><li>• Draft corridor management plan – “roadmap”</li><li>• WSDOT/ODOT executive briefings, review and comment</li></ul>
Winter 2013	<ul style="list-style-type: none"><li>• Final corridor management plan endorsement in January</li><li>• Begin work on WSDOT-ODOT-Amtrak agreement</li></ul>
Spring 2013	<ul style="list-style-type: none"><li>• Final WSDOT-ODOT-Amtrak agreement</li></ul>
Fall 2013	<ul style="list-style-type: none"><li>• PRIIA Section 209 implementation; states pay 100%</li></ul>

# Contact information

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